

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	LEASE AMENDMENT No. 1
	TO LEASE NO. GS-P11-LDC12617
LEASE AMENDMENT	
ADDRESS OF PREMISES: 1015 Half Street SE Washington, DC 20003-3320	PDN Number:

THIS AMENDMENT is made and entered into between

Half Street SE, LLC

(Lessor), whose principal place of business is 7 Giralda Farms Madison, NJ 07940, and whose interest in the Property described herein is that of Fee Owner,

and the **UNITED STATES OF AMERICA**

(Government), acting by and through the designation representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

WHEREAS, the parties hereto desire to amend Lease Number GS-P11-LDC12617:

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease, **GSA Form L201C (9/13) Shall Be Amended As Follows:**


1. The Government shall lease an additional 7,849 RSF / 6,741 ABOA of Sixth (6th) floor space (as shown on the attached plan, Exhibit A), hereinafter referred to as the "Additional Space". The Base Lease shall be increased from 143,116 RSF// 129,000 ABOA to 150,965 RSF / 135,741 ABOA.
2. The Lessor shall provide the Government with 7,849 RSF of Additional Space at the cost of \$392,450.00 annually or \$32,704.17 monthly in arrears. There is no Rental Abatement on the Additional Space. (Rent Payment Schedule paragraph 7 of this Amendment)

This Lease Amendment contains 2 pages.


All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the below date.


FOR THE LESSOR

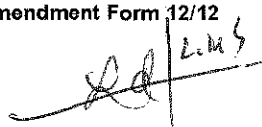
Signature: 
 Name: _____
 Title: Vice President
 Entity Name: Half Street SE, LLC; Sole Member:
The Prudential Insurance Company of America
 Date: 1/12/15

FOR THE LESSEE

Signature: 
 Name: FARRY W. SUTTON
 Title: Lease Contracting Officer
GSA, Public Buildings Service,
 Date: Jan 26, 2015

WITNESSED FOR THE LESSOR BY:

Signature: 
 Name: _____
 Title: Associate
 Date: 1/12/15



GSA Form L201C (9/13) Shall Be Amended As Follows:

1. Office and Related Space - Lease Paragraph 1.01A: 150,965 RSF, yielding 135,741 ABOA of office and related space located on the 3rd, 4th, 5th and a portion of the 6th floor (s) of the building (consisting of 43,030 RSF on the entire 3rd floor, 43,030 RSF on the entire 4th floor, 43,030 RSF on the entire 5th floor and 21,875 RSF on a portion of the 6th floor including the additional space (7,849 RSF).
2. Rent and Other Consideration – Lease Paragraph 1.03A: The Government shall pay the Lessor annual rent, payable at the monthly installments in arrears. at the following adjusted rates:

	Annual Rent (Base Lease)	Annual Rent (Additional Space)	Annual Rent (Base Lease + Additional Space)
Shell Rent (1)	\$3,689,814.33	\$267,510.71	\$3,957,325.04
Tenant Improvement Rent (2)	\$452,403.00	\$23,640.69	\$476,043.69
Operating Costs (3)	\$1,417,154.67	\$77,705.10	\$1,494,859.77
Building Specific Security (4)	\$451,500.00	\$23,593.50	\$475,093.50
Total Annual Rent	\$6,010,872.00	\$392,450.00	\$6,403,322.00

1. Shell rent (Base Lease plus the Additional Space) calculation: \$26.21 per RSF multiplied by 150,965 RSF.
2. Tenant Improvement Rent consisting of \$4,760,436.87 amortized at a rate of zero percent (0%) per annum over 10 years (Tenant Improvement Allowance from the Base Lease of \$4,524,030.00 plus a Tenant Improvement Allowance for the Additional Space of \$236,406.87).
3. Operating Costs of \$1,494,859.77 (\$9.90 per RSF multiplied by 150,965 RSF).
4. Building Specific Security costs of \$4,750,935.00 (Base Lease of \$4,515,000 plus \$235,935.00 for the Additional Space) amortized at a rate of zero percent (0%) per annum over 10 years.
3. Broker Commission and Commission Credit - Lease Paragraph 1.04B: Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall occur in months 13, 14, 15 and 16 of the lease, owing to the Rental Abatement in paragraph 1.03(l), in accordance with the Schedule below:
 - Month 13 Rental Payment \$533,610.17 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 13th Month's Rent*
 - Month 14 Rental Payment \$533,610.17 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 14th Month's Rent*
 - Month 15 Rental Payment \$533,610.17 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 15th Month's Rent*
 - Month 16 Rental Payment \$533,610.17 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 16th Month's Rent*
 - Month 17 Rental Payment shall commence in full.

*Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."
4. Percentage of Occupancy for Tax Adjustment - Lease Paragraph 1.13: The Expansion Space shall increase the Government's percentage of occupancy from 36.63% to 38.64%.
5. Operating Cost Base - Lease Paragraph 1.15: The base rate for operating costs shall increase from \$1,417,154.67 per annum to \$1,494,859.77 per annum.
6. Rental Abatement – Paragraph 1.03(l): Starting on the Lease Term Commencement Date, the first (12) months' rent for the Base Lease, (\$6,010,872.00 total lease value) shall be abated. Such abatement shall consist of Shell Rent, Tenant Improvement Rent, Operating Costs and Building Specific Security costs as stated above in Section 1.03.I. Rental abatement does not apply to the Additional Space. Rent will start on the 7,849 RSF of additional space, in the amount of \$32,704.17 per month on Lease Commencement Date.
7. Rent Schedule: Rent shall be paid in accordance with the following schedule:
 - Months 1 through 12: Monthly rental payment of \$32,704.17 for rent on the Additional Space (7,849 RSF) at an annual cost of \$392,450.00.
 - Months 13 through 15: Monthly rental payment of \$533,610.17 minus prorated Broker Commission Credit of [REDACTED] equals [REDACTED] adjusted and inclusive of Additional Space.
 - Month 16: Monthly rental payment of \$533,610.17 minus prorated Broker Commission Credit of [REDACTED] equals [REDACTED] adjusted and inclusive of Additional Space.
 - Months 17 through 120: Monthly rental payments shall commence in full at \$533,610.17 subject to any adjustments outlined under the paragraph "Rent and Other Considerations".

INITIALS: Red LESSOR & L.M.S GOVT